



General Assembly

Substitute Bill No. 933

January Session, 2009

* _____SB00933INS__051309_____*

AN ACT CONCERNING CHANGES TO VARIOUS TAX STATUTES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subdivision (1) of subsection (f) of section 12-7b of the
2 general statutes is repealed and the following is substituted in lieu
3 thereof (*Effective October 1, 2009*):

4 (f) (1) The Office of Fiscal Analysis shall not make known in any
5 manner any information obtained from any such report or inventory,
6 or any information obtained pursuant to subdivision (2) of this
7 subsection which would allow the identification of any taxpayer or of
8 the amount or source of income, profits, losses, expenditures or any
9 particulars thereof set forth or disclosed in any return, statement or
10 report required to be filed with or submitted to the commissioner
11 which is discernible from such report or inventory, or from such
12 information obtained pursuant to subdivision [(d)] (2) of this
13 subsection, except as provided in this subsection. The Office of Fiscal
14 Analysis may disclose such information to other state officers and
15 employees when required in the course of duty. No such officer or
16 employee shall make known any such information to any other person
17 except as provided in this subsection. Any person who violates any
18 provision of this subsection shall be fined not more than one thousand
19 dollars or imprisoned not more than one year or both.

20 Sec. 2. Section 12-317 of the general statutes is repealed and the

21 following is substituted in lieu thereof (*Effective July 1, 2009*):

22 Any person having in [his] such person's possession any cigarettes
23 with respect to the storage or use of which a tax is imposed herein
24 shall, within twenty-four hours after coming into possession of such
25 cigarettes, file a return with the Commissioner of Revenue Services in
26 such form as [he] said commissioner may prescribe. The return shall be
27 accompanied by a payment of the amount of the tax shown to be due
28 thereon. If any such person fails to file the return as required by this
29 section, said commissioner shall make such return at any time
30 thereafter, according to the best information obtainable, in accordance
31 with section 12-309, except that the penalty shall be equal to ten per
32 cent of such tax due and unpaid. Such tax shall bear interest at the rate
33 of one per cent per month or fraction thereof, from the due date of
34 such tax until the date of payment.

35 Sec. 3. Section 12-326a of the general statutes is amended by adding
36 subsection (c) as follows (*Effective October 1, 2009*):

37 (NEW) (c) Notwithstanding the provisions of section 12-15 or any
38 other section of the general statutes, for purposes of this part the
39 commissioner may make public the identity of those persons who are
40 stamping agents, subjobbers or chain stores.

41 Sec. 4. Subsection (b) of section 12-460a of the general statutes is
42 repealed and the following is substituted in lieu thereof (*Effective July*
43 *1, 2009*):

44 (b) With respect to fiscal years ending on or after June 30, [2004]
45 2010, the [Commissioner of Revenue Services] Comptroller shall
46 deposit into the Conservation Fund established under section 22a-27h
47 three million dollars of the amount of the funds received by the state
48 from the tax imposed under this chapter attributable to sales of fuel
49 from distributors to any boat yard, public or private marina or other
50 entity renting or leasing slips, dry storage, mooring or other space for
51 marine vessels provided (1) two hundred fifty thousand dollars shall
52 be credited to the boating account, and (2) two million dollars shall be

53 credited to the fisheries account of which not less than seventy-five
54 thousand dollars shall be allocated to The University of Connecticut
55 for the Long Island Sound councils.

56 Sec. 5. Section 12-484 of the general statutes is repealed and the
57 following is substituted in lieu thereof (*Effective January 1, 2010*):

58 (a) Except as otherwise provided in this section, every motor carrier
59 subject to the tax imposed by this chapter shall, on or before the last
60 day of January, April, July and October, annually, [or on or before the
61 last day of the month following such reporting period, other than a
62 quarterly period as may be established under regulations promulgated
63 by the Commissioner of Revenue Services,] make to the commissioner
64 such reports of its operations during the quarter [or such other period,
65 as the case may be,] ending the last day of the preceding month as the
66 commissioner may require and such other reports from time to time as
67 the commissioner may deem necessary.

68 (b) The commissioner shall adopt in accordance with chapter 54 and
69 enforce regulations relating to the administration and enforcement of
70 this chapter.

71 (c) The commissioner [by regulation may] shall exempt from the
72 [aforesaid] reporting requirements of subsection (a) of this section [, as
73 a class, (1)] those motor carriers operating solely within this state and
74 [(2) those motor carriers] purchasing motor fuel solely within this
75 state, [, and require in each such instance an annual report, if in his
76 discretion the enforcement of this chapter would not be adversely
77 affected by such regulation.]

78 Sec. 6. Subsection (c) of section 12-487 of the general statutes is
79 repealed and the following is substituted in lieu thereof (*Effective*
80 *January 1, 2010*):

81 (c) [No] (1) Except as otherwise provided in subdivisions (2) and (3)
82 of this subsection, no person shall operate or cause to be operated any
83 [such vehicle] qualified motor vehicle, as defined in section 12-478, in

84 this state unless such vehicle bears the identification markers required
85 by this section. [, provided the commissioner by letter or telegram may
86 authorize the operation, for a period not to exceed ten days as to any
87 one motor carrier, of a vehicle or vehicles without such identification
88 marker when the enforcement of this section would cause undue delay
89 and hardship in the operation of such vehicle or vehicles and when the
90 enforcement of this chapter will not be adversely affected.] Any person
91 operating or causing to be operated in this state any qualified motor
92 vehicle [, as defined in section 12-478,] to which the identification
93 markers required by this section or any regulations adopted in
94 accordance with the provisions of chapter 54 are not properly affixed
95 shall have committed an infraction, the fine for which shall be ninety
96 dollars. Any provision of the general statutes to the contrary
97 notwithstanding, any person who is alleged to have committed such
98 an infraction shall follow the procedures set forth in section 51-164n.

99 (2) The commissioner may authorize the operation without the
100 identification markers required by this section of a qualified motor
101 vehicle in this state by a motor carrier where (A) the motor carrier has
102 filed with the commissioner or an authorized third party an
103 application for a trip permit, on a form prescribed by the commissioner
104 or authorized third party, and has paid the trip permit fee; (B) the
105 commissioner has determined that the enforcement of this chapter will
106 not be adversely affected; and (C) the commissioner has determined
107 that the enforcement of this section would cause undue delay and
108 hardship in the operation of such vehicle. Each trip permit, upon
109 issuance, shall be valid for a period of seventy-two hours from the time
110 of its issuance, or from the time specified by the trip permittee,
111 whichever is later. The issuance of a trip permit to a motor carrier for a
112 qualified motor vehicle shall exempt the motor carrier from filing the
113 quarterly report otherwise required under section 12-484, as amended
114 by this act, and from paying the tax otherwise required under section
115 12-483 on the operation of such vehicle in this state during the time
116 that the permit is in effect. A motor carrier to whom a trip permit is
117 issued shall, during the time that the permit is in effect, be required to

118 have the permit present at all times in the vehicle for which it was
119 issued, and to present the permit, on demand, for inspection by
120 employees or other agents of the Department of Revenue Services, or
121 by law enforcement officers. A trip permit shall not be transferable by
122 a trip permittee. The trip permit fee shall be fifty dollars for each
123 qualified motor vehicle. A motor carrier, in signing the application for
124 a trip permit and in paying the trip permit fee, shall acknowledge and
125 agree that the motor carrier is waiving and releasing any claim for
126 refund that might otherwise be allowable if the amount of the trip
127 permit fee were to exceed the tax that would otherwise be required to
128 be paid under section 12-483 on the operation of such vehicle in this
129 state during the time that the permit is in effect. The commissioner
130 may authorize third parties to issue trip permits under this subsection.
131 An authorized third party shall remit to the commissioner fifty dollars
132 for each trip permit. Such third party shall issue a receipt to each trip
133 permittee.

134 (3) The commissioner may authorize the operation without the
135 identification markers required by this section of a qualified motor
136 vehicle in this state by a motor carrier for emergency purposes if the
137 commissioner determines that the enforcement of this section would
138 cause undue delay and hardship in the operation of such vehicle.

139 Sec. 7. Subsection (a) of section 12-631 of the general statutes is
140 repealed and the following is substituted in lieu thereof (*Effective July*
141 *1, 2009, and applicable to income years commencing on or after January 1,*
142 *2009*):

143 As used in this chapter, the following terms have the following
144 meanings:

145 (a) "Business firm" means any business entity authorized to do
146 business in the state and subject to the [corporation business] tax
147 imposed under [chapter 208 or to the unincorporated business tax
148 imposed under chapter 228, or any insurance company, hospital or
149 medical services corporation subject to the insurance companies,

150 hospital and medical services corporations tax imposed under chapter
151 207, or any air carrier subject to the air carriers tax imposed under
152 chapter 209, or any railroad company subject to the railroad companies
153 tax imposed under chapter 210, or any express, telegraph, telephone,
154 cable, car or community antenna television company subject to the
155 express, telegraph, telephone, cable, car and community antenna
156 television companies tax imposed under chapter 211, or any utility
157 company subject to the utility companies tax imposed under chapter
158 212, or any public service company subject to the public service
159 companies tax imposed under chapter 212a] chapter 207, 208, 209, 210,
160 211 or 212.

161 Sec. 8. Section 12-635a of the general statutes is repealed and the
162 following is substituted in lieu thereof (*Effective July 1, 2009, and*
163 *applicable to income years commencing on or after January 1, 2009*):

164 The Commissioner of Revenue Services shall grant a credit against
165 any tax due under the provisions of chapter 207, 208, 209, 210, 211 or
166 212 in an amount not to exceed [forty] sixty per cent of the total cash
167 amount invested during the taxable year by the business firm in
168 community-based alcoholism prevention or treatment programs
169 operated or created pursuant to proposals approved pursuant to
170 section 12-632.

171 Sec. 9. Subsection (g) of section 38a-91hh of the general statutes is
172 repealed and the following is substituted in lieu thereof (*Effective from*
173 *passage*):

174 (g) Nothing contained in this section shall prevent or be construed
175 as prohibiting the commissioner from disclosing the content of an
176 examination report, preliminary examination report or results, or any
177 matter relating to such report to (1) the [Insurance Department]
178 insurance regulatory officials of this or any other state or country, (2)
179 law enforcement officials of this or any other state, or (3) any agency of
180 this or any other state, or the federal government at any time, [unless]
181 provided such agency or office receiving the report or matters relating

182 to such report agrees, in writing, that such documents shall be
183 confidential.

184 Sec. 10. Section 38a-91nn of the general statutes is repealed and the
185 following is substituted in lieu thereof (*Effective from passage and*
186 *applicable to calendar years commencing on and after January 1, 2009*):

187 (a) Each captive insurance company shall pay to the Commissioner
188 of Revenue Services, [in the month of February of each year] on or
189 before the first day of March, annually, a tax at the rate of thirty-eight
190 hundredths of one per cent on the first twenty million dollars and two
191 hundred eighty-five thousandths of one per cent on the next twenty
192 million dollars and nineteen hundredths of one per cent on the next
193 twenty million dollars and seventy-two thousandths of one per cent on
194 each dollar thereafter on the direct premiums collected or contracted
195 for on policies or contracts of insurance written by the captive
196 insurance company during the year ending December thirty-first next
197 preceding, after deducting from the direct premiums subject to the tax
198 the amounts paid to policyholders as return premiums which shall
199 include dividends on unabsorbed premiums or premium deposits
200 returned or credited to policyholders, except that no tax shall be due or
201 payable as to considerations received for annuity contracts.

202 (b) The annual minimum aggregate tax to be paid by a captive
203 insurance company calculated under [subsections (a) and (b)]
204 subsection (a) of this section shall be seven thousand five hundred
205 dollars, and the annual maximum aggregate tax shall be two hundred
206 thousand dollars.

207 (c) [A captive insurance company failing to file returns as required
208 in this section or failing to pay within the time required all taxes
209 assessed by this section shall be subject to penalty under section 12-
210 229] The provisions of sections 12-204, 12-204d, 12-204g and 12-205 to
211 12-208, inclusive, shall apply to the provisions of sections 38a-91aa to
212 38a-91qq, inclusive, as amended by this act, in the same manner and
213 with the same force and effect as if the language of said sections 12-

214 204, 12-204d, 12-204g and 12-205 to 12-208, inclusive, had been
215 incorporated in full into this section and had expressly referred to the
216 tax due under sections 38a-91aa to 38a-91qq, inclusive, as amended by
217 this act, except to the extent that any such language is inconsistent with
218 a provision of said sections 38a-91aa to 38a-91qq, inclusive.

219 (d) Two or more captive insurance companies under common
220 ownership and control shall be taxed as though they were a single
221 captive insurance company.

222 (e) For the purposes of this section common ownership and control
223 means:

224 (1) In the case of stock corporations, the direct or indirect ownership
225 of eighty per cent or more of the outstanding voting stock of two or
226 more corporations by the same shareholder or shareholders; and

227 (2) In the case of mutual or nonprofit corporations, the direct or
228 indirect ownership of eighty per cent or more of the surplus and the
229 voting power of two or more corporations by the same member or
230 members.

231 (f) The tax provided for in this section shall constitute all taxes
232 collectible under the laws of this state from any captive insurance
233 company, and no other occupation tax or other taxes shall be levied or
234 collected from any captive insurance company by the state or any
235 county, city or municipality within this state, except taxes on real and
236 personal property used in the production of income.

237 (g) The tax provided for in this section shall be calculated on an
238 annual basis, notwithstanding policies or contracts of insurance or
239 contracts of reinsurance issued on a multiyear basis. In the case of
240 multiyear policies or contracts, the premium shall be prorated for
241 purposes of determining the tax under this section.

242 Sec. 11. Sections 12-34d and 12-315a of the general statutes are
243 repealed. (*Effective July 1, 2009*)

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2009</i>	12-7b(f)(1)
Sec. 2	<i>July 1, 2009</i>	12-317
Sec. 3	<i>October 1, 2009</i>	12-326a
Sec. 4	<i>July 1, 2009</i>	12-460a(b)
Sec. 5	<i>January 1, 2010</i>	12-484
Sec. 6	<i>January 1, 2010</i>	12-487(c)
Sec. 7	<i>July 1, 2009, and applicable to income years commencing on or after January 1, 2009</i>	12-631(a)
Sec. 8	<i>July 1, 2009, and applicable to income years commencing on or after January 1, 2009</i>	12-635a
Sec. 9	<i>from passage</i>	38a-91hh(g)
Sec. 10	<i>from passage and applicable to calendar years commencing on and after January 1, 2009</i>	38a-91nn
Sec. 11	<i>July 1, 2009</i>	Repealer section

FIN *Joint Favorable Subst.*

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